

By Representative Stonier

E2SSB 5174 - H COMM AMD

By Committee on Appropriations

1 Strike everything after the enacting clause and insert the
2 following:

3

4 "NEW SECTION. **Sec. 1.** A new section is added to chapter
5 28A.160 RCW to read as follows:

6 (1) The superintendent of public instruction must provide
7 transportation safety net awards to school districts with a
8 convincingly demonstrated need for additional transportation funding
9 for special passengers. Transportation safety net awards shall only
10 be provided when a school district's allowable transportation
11 expenditures exceed the amounts provided under RCW 28A.160.150
12 through RCW 28A.160.192 and any excess transportation costs
13 reimbursed by federal, state, tribal, or local child welfare
14 agencies. School district safety net awards shall not exceed the
15 school district's expenditures directly attributable to serving
16 special passengers in the pupil transportation program.

17 (2) For the purposes of this section, "special passengers"
18 include:

19 (a) Students eligible for and receiving special education that
20 require transportation as a related service of their individualized
21 education program;

22 (b) Homeless students requiring transportation under the
23 McKinney-Vento act, reauthorized as Title X, Part C, of the no child
24 left behind act, P.L. 107-110, in January 2002; and

25 (c) Foster students receiving transportation as required under
26 section 1112(c)(5)(B) of the every student succeeds act, P.L. 114-95.

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1 (3) To be eligible for additional transportation safety net
2 award funding, the school district must report, in accordance with
3 statewide accounting guidance, the amount of the excess costs and
4 the specific activities or services provided to special passengers
5 that created the excess costs.

6 (4) The superintendent of public instruction must establish
7 rules and processes for transportation safety net applications and
8 awards. The omnibus appropriations act must specify the total amount
9 available for transportation safety net awards. Total awards may not
10 exceed the amount appropriated. The superintendent of public
11 instruction must submit to the office of financial management, and
12 the education and fiscal committees of the legislature, the total
13 demonstrated need and awards by school district.

14 (5) Charter schools established under chapter 28A.710 RCW and
15 state-tribal compact schools established under chapter 28A.715 RCW
16 are also eligible for awards under this section.

17 (6) Transportation safety net awards allocated under this
18 section are not part of the state's program of basic education.

19
20 **Sec. 2.** RCW 28A.160.193 and 2018 c 266 s 103 are each amended
21 to read as follows:

22 (1) Subject to the availability of amounts appropriated for this
23 specific purpose, a transportation alternate funding grant program
24 is created.

25 (2) As part of the award process for the grants, the
26 superintendent of public instruction must include a review of the
27 school district's efficiency rating, key performance indicators, and
28 local school district characteristics such as unique geographic
29 constraints, low enrollment, geographic density of students, (~~the~~
30 ~~percentage of students served under the McKinney-Vento homeless~~
31 ~~assistance act from outside the district,~~) or whether the district
32 is a nonhigh district.

1 **Sec. 3.** RCW 28A.160.140 and 1990 c 33 s 140 are each amended to
2 read as follows:

3 (1) As a condition of entering into a pupil transportation
4 services contract with a private nongovernmental entity, each school
5 district shall engage in an open competitive process at least once
6 every five years. This requirement shall not be construed to
7 prohibit a district from entering into a pupil transportation
8 services contract of less than five years in duration with a
9 district option to renew, extend, or terminate the contract, if the
10 district engages in an open competitive process at least once every
11 five years after July 26, 1987.

12 (2)(a) A school district may only enter into a pupil
13 transportation services contract with a nongovernmental entity if
14 that entity provides the following to, or on behalf of, employees
15 who choose to opt in for coverage:

16 (i) An employer health benefits contribution equal to the
17 employer payment dollar amount in effect for the first year of the
18 contract for health care benefit rates (Cockle rates), published
19 annually by the health care authority, for the school employees'
20 benefits board program for school employees; and

21 (ii) An amount equivalent to the salaries of the employees of
22 the private nongovernmental entity multiplied by the employer normal
23 cost contribution rate determined under the entry age cost method
24 for the school employees' retirement system, as published in the
25 most recent actuarial valuation report from the office of the state
26 actuary for the first year of the contract.

27 (b) Subsection (2)(a) of this section applies only to pupil
28 transportation service contracts for which the request for proposals
29 begins after the effective date of this section and no earlier than
30 for a contract affecting the 2024-25 school year.

31 (c) All pupil transportation service contracts entered into or
32 modified after the effective date of this section must include a
33 detailed explanation of any contract cost increase by year,
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1 expenditure type, and amount, including any increases in cost that
2 result from providing the benefits required under this section.

3 (3) As used in this section:

4 ((+1+)) (a) "Employee" means a bus, van or shuttle driver,
5 monitor, mechanic, or dispatcher who works sufficient compensated
6 hours for the nongovernmental entity performing services on the
7 contract with the school district to meet the eligibility
8 requirements that apply to school employees for benefits in the
9 school employees' retirement system and the school employees'
10 benefits board program;

11 (b) "Open competitive process" means either one of the
12 following, at the choice of the school district:

13 ((+a+)) (i) The solicitation of bids or quotations and the award
14 of contracts under RCW 28A.335.190; or

15 ((+b+)) (ii) The competitive solicitation of proposals and their
16 evaluation consistent with the process and criteria recommended or
17 required, as the case may be, by the office of financial management
18 for state agency acquisition of personal service contractors;

19 ((+2+)) (c) "Pupil transportation services contract" means a
20 contract for the operation of privately owned or school district
21 owned school buses, and the services of drivers or operators,
22 management and supervisory personnel, and their support personnel
23 such as secretaries, dispatchers, and mechanics, or any combination
24 thereof, to provide students with transportation to and from school
25 on a regular basis; and

26 ((+3+)) (d) "School bus" means a motor vehicle as defined in RCW
27 46.04.521 and under the rules of the superintendent of public
28 instruction.

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30 NEW SECTION. Sec. 4. A new section is added to chapter 28A.160
31 RCW to read as follows:

32 (1) A school district that experiences an increase in costs to a
33 pupil transportation services contract as compared to prior year
34 contract costs as a result of the provisions in RCW 28A.160.140 is

1 eligible for supplemental transportation allocations as described in
2 this section.

3 (2) Beginning September 1, 2024, school districts that provide
4 pupil transportation through a contract with a nongovernmental
5 entity under RCW 28A.160.140 must annually provide the office of the
6 superintendent of public instruction with the following information:

7 (a) A breakdown of the total contract cost increase, including a
8 detailed explanation of the increase by expenditure type

9 demonstrating dollar equivalency as required in RCW 28A.160.140(2)(a)
10 (i) and percentage equivalency as required in RCW 28A.160.140(2)(a)
11 (ii), as defined by the office of the superintendent of public
12 instruction, and amount;

13 (b) A breakdown of cost from the contractor that shows the cost
14 to provide health care and pension benefits to employees prior to
15 the effective date of this section and the cost to provide health
16 care and pension benefits to employees after the implementation of
17 benefits as described in RCW 28A.160.140;

18 (c) The amount of funding received through transportation
19 allocations under RCW 28A.160.150 through 28A.160.192 prior to the
20 implementation of school employee benefits under chapter 41.05 RCW
21 and the amount of funding received through the same transportation
22 allocations for the period immediately following the implementation
23 of school employee benefits under chapter 41.05 RCW, to determine
24 the amount of funding for health care that is already being included
25 in allocations.

26 (3) The office of the superintendent of public instruction may
27 suspend the reporting requirements under subsection (2) of this
28 section on or after September 1, 2027, for districts that do not
29 request supplemental transportation allocations under this section.

30 (4) Subject to the availability of amounts appropriated for this
31 specific purpose, the office of the superintendent of public
32 instruction must reimburse a school district that contracts for
33 transportation bus services as of March 30, 2023, for the increased
34 cost that is directly attributable to increased benefits as required

1 under this act, using the following formula: The total contract cost
2 increase, less any amounts not attributable to benefits required
3 under RCW 28A.160.140, less the amount the allocation was increased
4 based on the actual cost increase through the transportation funding
5 formula."

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7 Correct the title.

EFFECT:

Strikes the underlying bill and does the following:

Requires the Office of the Superintendent of Public Instruction to administer transportation safety net awards to school districts with a convincingly demonstrated need for additional transportation funding for special passengers, which include special education, homeless, and foster students. Total amounts for safety net awards must be defined in the operating budget.

Removes the requirement that the Superintendent of Public Instruction include a review of a school district's percentage of students served under the McKinney-Vento homeless assistance act from outside the district as part of the current transportation alternate funding grant program award process for the grants.

Provides that, no earlier than for a contract affecting the 2024-25 school year, school districts may only enter into a pupil transportation services contract if that entity provides the following to, or on behalf of, employees who choose to opt in for coverage: a health benefit contribution equal to the employer payment dollar amount in effect for the first year of the contract for health care benefit rates for the SEBB, and; an amount equivalent to the salaries of the employees of the contractor multiplied by the employer normal cost contribution rate determined under the entry age cost method for the school employees' retirement system. Defines "Employee" in this section to include a bus, van or shuttle driver, monitor, mechanic, or dispatcher.

Provides reimbursement subject to funding provided specifically for increased costs to school districts that are directly attributable to increased benefits as required in the bill. Additional reporting requirements for contracting districts are included to show the dollar equivalency for health care and retirement benefits as provided by this act.

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